State of Utah Division of Oil Gas & Mining Mining/Exploration Summary

LARGE MINING OPERATION Permt # M450022 Name: KNOLLS SOLAR PONDS

Permit Status Mine Status Ownership Location

Status: APP Approved: Status: ACT Surface: BLM ST UTMX:

Methods

Minerals Mined/Explored: MAGNESIUM Surf/Under: SURFACE

Methods Used:

Bonding Permit Fees

Approved Acres Released Date Released

176 0 //

Bond Type

SURETY - GULF INS

Bond Amount: Date Bond Expires:

\$ 110,000 12/30/1995

Date Sent Date Received
06/30/1999 08/02/1999
Fee Received Cash Receipt
\$ 750 0NROG000014
Deliquent Notice

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Comments:

9/9/99 - Frontier surety returned to William Armstrong, Renco Group, Inc.

9/8/99 - Phone call from Phil Armstrong regarding DOGM 8/23/99 letter. Gulf bond is still in place and will remain so. Wants Frontier bond returned to them so they can return it to the insurance company.

8/23/99 - Letter sent to operator stating we had received replacement surety, but we cannot accept this bond - it has several errors, one of which is the amount needs to be updated from 1990 when it was last reviewed; also it was submitted on old bond forms which are no longer used by the Division. The existing Gulf bond is still in place. Copies of existing Gulf bond, new Frontier replacement bond, and new bonding form sent along with letter, per operator's request.

Last Action Action: 98 FEE Start Date: 06/26/1998 End Date: 07/14/1998

Fee \$750 - Receipt # 9NR0G000005

Last Inspection Date 02/10/2000 Inspector AAG

Participants: Jim Kohler, Stan Perkes, Mike Ford, BLM; Mary Ann Wright, Tony Gallegos, DOGM

Purpose of Inspection: To jointly examine the current operations at this project site to make a comparison with the approved plan.

Last Annual Report 1998 Acreage: 176.0 Acr Reclaimed: 0.0 Production: 3,.7,M g

Last Agency Action Agency: Agency ID: Date: / /

Operator MAGNESIUM CORP OF AMERICA Oper Id: 517 TaxID

Contact: LEE R BROWN

Address: 238 N 2200 W Phone: (801) 532-2043

Fax (801) 534-1407

SALT LAKE CITY UT 84116 E-Mail

Location

Qqqtr Qqtr Qtr Section Township Range Merid Quad Sheet

05 N01.0 W12.0 S 36 N01.0 W13.0 S 01 S01.0 W13.0 S